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GHG Data and Calculation Limited Assurance Verification Summary Report

Implus Footcare LLC

Created by: Shift Advantage, Inc.

10/4/2024

Carrie George
Implus Footcare LLC
2001 TW Alexander Drive
Durham, NC 27709

Shift Advantage, Inc.
3004 NE 47th Ave.
Portland, OR 97213

10/4/2024

Dear Carrie,

Shift Advantage is pleased to provide an independent and impartial verification of Implus Footcare LLC's 2023 Greenhouse Gas emissions statement (GHG statement).

This verification report provides information about the sufficiency of Implus' GHG statement for the 2023 emissions (calendar) year. Through application of limited assurance GHG statement verification procedures, the reported findings include records of disclosed calculation methodology and data, interviews with staff, and assumptions and interpretations used in support of this verification.

The sufficiency of this report to meet any outside requirement is the sole responsibility of Implus Footcare LLC. The report is designed for the intended use of Implus Footcare LLC and may not be suitable for any other purpose. The assurance report, including the opinion(s), are solely for Implus Footcare LLC's benefit. Verifier consents to the release of this letter to CDP in order to satisfy the terms of CDP disclosure requirements but without accepting or assuming any liability on Verifier's part to CDP or to any other party who has access to this assurance report.

About Shift Advantage

Shift Advantage utilizes corporate responsibility, climate, and sustainability expertise to empower organizations to meet new market demands, reduce costs, create competitive advantage, and foster long-term growth. Our team combines technical expertise with strategic sustainability experience. We support companies ranging from small start-ups to Fortune 100 organizations with a focus on integrating sustainability to drive business value. We have proven success with over 16 years of experience in designing and implementing a wide range of sustainability, climate, and ESG strategies and initiatives for corporations and industry groups. Our services include providing GHG inventories (carbon footprints) and reduction plans, as well as GHG and ESG verification and assurance in a wide variety of sectors.

Daniel Tremblay: Verification Lead with Shift Advantage

Daniel Tremblay has an environmental science, social equity, and sustainable business background. Daniel supports clients on GHG and ESG verifications and certifications, brand benchmarking, packaging and product footprints, supplier environmental assessments, eco-indexes, environmental scorecards, waste reduction and management, product chemistry restricted substance programs, and regulatory compliance.

Disclaimer

This report is designed for the intended use of Implus Footcare LLC and may not be suitable for any other purpose. Shift Advantage (Verifier) is independent of Implus Footcare LLC. Verifier has no conflicts of interest and is an impartial reviewer of Implus's GHG data. Implus Footcare LLC has agreed to the content and the procedures used for this assessment. The sufficiency of this report to meet any outside requirement is the sole responsibility of Implus Footcare LLC.

Limited Assurance GHG Statement Verification – Description and Objective

Verifier has conducted this verification in accordance with ISO 14064 part 3 2nd Edition, 2019-04 Annex A, against the requirements set forth in The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. The objective of this limited assurance GHG statement verification is to provide an independent, impartial, third-party review of Implus's calendar year 2023 (CY23) GHG emissions statement by identifying and assessing any risk of material misstatement relating to occurrence, completeness, accuracy, cut-off, or classification of emissions. ¹

Verifier held discussions with Implus personnel to examine any issues found during the review process. Verification activities use specified procedures to determine if Implus's GHG input data and calculations accurately reflects the emissions activities of Implus Footcare LLC in CY23. Verifier evaluated information from physical and monetary data, raw and aggregated data, interviews with Implus, emissions factors, usage factors, input and output spreadsheets, methodology, bills, contracts, and financials.

Based on the needs of the intended user(s) of the GHG assertion a materiality threshold of 5% has been applied to any uncertainty in findings that may potentially impact the value of the GHG statement.

Scope

Implus Footcare LLC reports emissions in three reporting areas; Scope 1 direct emissions, Scope 2 indirect emissions, and a subset of Scope 3 emissions that are relevant for the company. Scope 3 source emissions are not directly controlled by Implus Footcare LLC but are sources of upstream and downstream impacts relevant to Implus Footcare LLC's operations.

Reporting Period: Calendar year 2023 (CY23): January 1, 2023 through December 31, 2023

Organizational boundary: Operational control approach

Scope of Reporting:

Scope 1: Natural Gas – direct emissions associated with natural gas

Scope 2: Purchased electricity – indirect emissions associated with purchased electricity

Scope 3: Selected categories

- The following Scope 3 categories were included in Implus's CY23 GHG inventory:
 - Purchased goods and services
 - Capital expenses
 - Fuel- and energy-related activities
 - Upstream transportation and distribution

¹ The ISO 14064-3 standard can be purchased on the ANSI webstore:
<https://webstore.ansi.org/standards/csa/csaiso140642020-2442637>

- Waste generated in operations
- Business travel
- Employee Commuting
- Downstream transportation and distribution
- The following Scope 3 categories were excluded from Implus’s CY23 GHG inventory:
 - Upstream leased assets
 - Processing of sold products
 - Use of product
 - End-of-life treatment of sold products
 - Downstream leased assets

Geographic Scope: All of Implus Footcare LLC’s world-wide operations including offices, data centers, and use of product

GHGs included: CO2, N2O, CH4

Implus’s Reported Emissions

Verified reported emissions by scope are as follows:

- Scope 1: 689 MT CO2e
- Scope 2: 1,328 MT CO2e
- Scope 3: 68,788 MT CO2e
 - Purchased goods and services: 57,487 MT CO2e
 - Note: the following items are excluded from this verification (refer to Implus CDP submission notes for more details):
 - Packaging (Underway but not complete)
 - Supplier energy use (No verification or assurance of current reporting year)
 - Capital expenses 168 MT CO2e
 - Fuel- and energy-related activities 194 MT CO2e
 - Upstream transportation and distribution 5813 MT CO2e
 - Waste generated in operations 210 MT CO2e
 - Business travel: 830 MT CO2e
 - Employee commuting: 584 MT CO2e
 - Downstream transportation and distribution 1008 MT CO2e

Resolved Findings

The below list of findings uncovered during the verification process have all been resolved prior to final data and inventory submission to The Change Climate Project.

Scope	Description	Risk	Status	Note
ALL	Misc. factors - utilize more significant figures	Medium	Complete	Implemented
S1	Abnormal cycle of usage - error	Medium	Complete	Corrected
S1, S2, S3.4, S3.5, S3.9	Sampling plan - requested backup	Low	Complete	Provided
S3.1	Product and packaging - metric ton conversion error	Medium	Complete	Updated
S3.1 (P.O.s)	Quality Control Cons - Total missing from calculations	Low	Complete	Added
S3.3	WTT and T&D loss - transcription error	Low	Complete	Corrected
S3.5	Missing data for July to December	Medium	Complete	Updated
S3.7	EF for car travel - error	Low	Complete	Corrected
S3.9	Efs for transport - clarification and info needed	Low	Complete	Provided
S3.9	UPS transport - utilize WTW	Medium	Complete	Updated

Final Verification Statement

Based on the limited assurance verification work described above Verifier has found no evidence that Implus's CY23 reported emissions are not materially correct. Furthermore, Verifier has found no evidence that Implus's reported emissions have not been prepared in accordance with the GHG Protocol standards or that Implus's reported emissions are not a fair representation of Implus's CY23 GHG data and information.



Daniel Tremblay

Verification Lead

Shift Advantage